

Bright Votes for Historic Investment in Education

WASHINGTON, DC- Congressman Bobby Bright voted for the Student Aid and Fiscal Responsibility Act today. H.R. 3221 ends federal subsidies in private student lending, thereby saving taxpayers money, and invests those savings into education programs. Specifically, the bill is estimated to save \$87 billion over 10 years. Bright also supported an amendment to H.R. 3221, called the Defund ACORN Act, that expressly prohibits any federal funds from going to ACORN.

The savings is invested into increased funding for Pell Grants, early childhood education, Historically Black Colleges and Universities, school construction, community colleges, and \$10 billion towards deficit reduction. The school construction section of the bill includes a provision very similar to an amendment Congressman Bright sponsored to a previous education bill, which would have provided funds to schools affected by natural disasters. The Student Aid and Fiscal Responsibility Act, which now heads to the Senate for consideration, is one of the top priorities of the current Administration.

“I have always believed that education is the great equalizer,” Bright said. “As someone who came from humble beginnings, the education I received has proven invaluable and helped me get to where I am today. Every child should be afforded those same opportunities, regardless of their financial situation. This bill we passed today is a historic investment in education, from early childhood all the way through college. It is also fiscally responsible, as it ends subsidies to private lenders and invests some of those savings into needed deficit reduction.”

The bill has several provisions, including:

Ends taxpayer subsidies to private lenders. To achieve \$87 billion in savings, federal student loans will now come directly from the Direct Loan Program, rather than using a private “middleman” who is already subsidized by the taxpayer. Not only will this save money, but it will streamline and stabilize federal student loan programs and ensure a reliable line of credit during tough economic times.
Invests \$40 billion of savings into the Pell Grant

Scholarship. This will result in the maximum Pell Grant Scholarship increasing from \$5,550 to \$6,900 by 2019. It is estimated that 19,695 students in Alabama's Second District will be eligible for Pell Grants in 2010-2011. Allocates \$9.5 billion in funds to community colleges and technical schools. \$7 billion of these funds will go to grants for states and colleges to improve community college education. Specifically, funds may be used for streamlining the registration process, distance learning programs, and job placement counseling for, among other groups, disabled veterans. The funds will help complete the American Graduation Initiative, which hopes to graduate an additional 5 million students from college by 2020. \$2.5 billion would go towards facility modernization in FY2011. It is estimated that Alabama will receive \$36.3 million for community college construction in this bill.

Invests \$2.55 billion into Historically Black Colleges and Universities. This money is allocated to help students stay in school and graduated at HBCUs and minority-serving universities such as Alabama State University in Montgomery.

Creates a \$1 billion fund for early childhood education. The Early Learning Challenge Fund will award grants to states to implement comprehensive standards-based early childhood learning programs.

Simplifies the FAFSA form. Allows students and families to apply for aid using the information on their tax returns.

Pays down the deficit by \$10 billion. \$10 billion of the savings created by H.R. 3221 will be dedicated to deficit reduction.

Additionally, the Student Aid and Financial Responsibility Act contains \$6.6 billion for school modernization and renovation for healthier, safer, and more energy-efficient teaching and learning climates. Of that \$6.6 billion, 5% is allocated to school districts recovering from natural disasters or located in economically challenged areas. The language in this section is the same as an amendment Bright offered to the 21st Century Green High Performing Schools Act. That bill is currently stalled in the Senate. Bright sponsored the amendment because of Enterprise School System's continuing needs following the 2007 tornado that destroyed Enterprise High School. The Second District has also seen recent flooding and straight-line winds that have caused significant damage to structures across the district, including schools.

"Small towns across America are simply not equipped to rebuild a mainstay in their communities such as schools when they are destroyed by natural disasters," Bright said. "I hope this bill will move forward in the Senate to give school districts in Southeast Alabama- especially Enterprise- one more venue for making their systems whole again. Our students deserve a first class education, and I will do everything in my power to ensure that this legislation passes into law and has a positive effect on Alabama schools."